

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6487**

**BILL NUMBER:** SB 321

**NOTE PREPARED:** Jan 13, 2008

**BILL AMENDED:**

**SUBJECT:** Veteran's Lifetime License to Hunt, Fish, and Trap.

**FIRST AUTHOR:** Sen. Alting

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** \_\_\_ GENERAL  
                          **X** DEDICATED  
                          FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill allows an honorably discharged veteran to obtain a lifetime hunting, fishing, and trapping license.

**Effective Date:** July 1, 2008.

**Explanation of State Expenditures:** *Programming Expenses.* Based on the population estimates explained below, total cost for producing the license would equal an estimated \$50,000 (if 4,000 veterans purchased the license).

The lifetime license application is not currently on the automated delivery system. According to the Department of Natural Resources (DNR), development and implementation of an automated lifetime license module would cost approximately \$38,000. In addition, the cost to the DNR to produce a license is \$3. The bill provides that the cost of the license must cover the expense of producing it. Given this requirement, the cost for the license would have to equal \$12.50.

*Costs Associated with Identifying Honorably Discharged Veterans.* The DNR would need to validate veterans before issuing a license. The applicant could present discharge papers in order to validate eligibility.

**Explanation of State Revenues:** There are an estimated 400,000 veterans between the ages of 17 and 64. To determine how many of these veterans would obtain a lifetime hunting and fishing license, the percentage of total Indiana residents that purchased a lifetime license relative to the total population ages 18 to 64 was applied to the total number of veterans aged 17 to 64. Statistics on the number of lifetime licenses are

presented below. The annual fee for each license is also presented in order to show what revenue would have been generated had an annual license been purchased.

<b>Lifetime License Type</b>	<b>Valid Number 07</b>	<b>Annual Fee/value</b>	<b>Total</b>
Trapping	344	\$16.25	\$5,590
Basic fishing	3,642	\$16.25	\$59,183
Basic hunting	486	\$16.25	\$7,898
Comprehensive fishing	799	\$26.50	\$21,174
Comprehensive hunting	25,158	\$93*	\$2,339,694
Comprehensive hunt and fish	17,938	\$119.50*	\$2,143,591
<b>Total</b>	<b>48,367</b>		<b>\$4,577,130</b>
*If an individual purchased a comprehensive hunting license and participated in half the hunting seasons available annually under the license, the following would represent the equivalent annual hunting licenses' revenue (minus the \$0.75 agent fee): hunting- \$16.25, turkey- \$24.25, game bird habitat stamp- \$6, deer firearms license at \$23.25 and bonus county deer-\$23.25 (Note: 2/3 of deer hunters purchase two or more one-year licenses), the total annual license revenue collected would be \$93. Add an annual fishing license-\$16.25 and a salmon/trout stamp-\$10.25 and total would be \$119.50.			

Indiana's total population is 6.3 million. Approximately 58%, or 3.6 million, fall into the 18 to 64 age group. Given this figure and the 48,367 total number of lifetime licenses issued, an estimated 1% of this population purchased a lifetime license. Given this percentage, an estimated 4,000 of the 400,000 veterans would purchase a lifetime license, assuming that they have not already done so. If 4,000 veterans purchased a lifetime license at \$17 each, total revenue generated would equal \$68,000.

Over 89% of lifetime licenses sold are comprehensive hunting (52%) or comprehensive hunt/fish (37%). The remaining 11% have been distributed over the remaining categories on an equal basis.

<b>Purchase of \$17 Lifetime License Versus Annual Fee Revenue Collections</b>					
<b>Lifetime License Type</b>	<b>% Sold</b>	<b>Estimated # of Veterans</b>	<b>\$17 Revenue Gain</b>	<b>Annual Fee/value</b>	<b>Revenue Loss 1<sup>st</sup> year</b>
Trapping	2.75%	110	\$1,870	\$17	\$0
Basic fishing	2.75%	110	\$1,870	\$17	\$0
Basic hunting	2.75%	110	\$1,870	\$17	\$0
Comp fishing	2.75%	110	\$1,870	\$26.50	(\$1,045)
Comp hunting	52%	2,080	\$35,360	\$93*	(\$158,080)
Comp hunt and fish	37%	1,480	\$25,160	\$119.50*	(\$151,700)
<b>Total</b>	<b>100%</b>	<b>4,000</b>	<b>\$68,000</b>		<b>(\$310,825)</b>
*Comp hunting and Comp hunt and fish are based on 2006 percentages. The remaining percentages are estimates.					

Based on the above figures, license fee revenue would be reduced by \$310,825 the first year if eligible veterans would have purchased an annual license were it not for the provisions of the bill.

The difference between the sale of a lifetime license and an annual license to the DNR is where the license fee revenue is deposited. Fee from the sale of annual licenses is deposited in the Fish & Wildlife Fund, which is used to finance the operations of the DNR Divisions of Fish & Wildlife and Law Enforcement.

Revenue from the sale of the lifetime licenses is deposited in the Lifetime Hunting, Fishing, and Trapping License Trust Fund. On July 1 of each year, all of the accumulated earnings in the fund plus 2½% of the money in the fund, less the accumulated earnings, must be transferred to the Fish and Wildlife Fund to maintain the automated point-of-sale licensing system. Any unused part of the transfer may be used for protecting and propagating wildlife and paying the operational expenses of the Fish & Wildlife Division and the Law Enforcement Divisions. A portion of the revenue may be used for the Turn In a Poacher Program and the reward system established under the program. Additionally, the DNR director, with the approval of the NRC and the Budget Agency and after review by the Budget Committee, may use money in the fund to acquire real property that will be used and managed for hunting and fishing. Money in the fund at the end of a state fiscal year does not revert to the state General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** DNR.

**Local Agencies Affected:**

**Information Sources:** Tom Applegate, Indiana Department of Veterans Affairs, 232.3922; DNR; <http://www.in.gov/dva/2794.htm>; U.S. Census.

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